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Miller targets banks as cop for Frank
By Silla Brush

Barney Frank has found in Brad Miller something of a deputy cop to make new financial regulations as strong as possible.

Miller, a House Democrat from North Carolina, doesn't often play the finger-pointing, headline-grabbing member who scolds well-heeled bankers for crippling the economy.

But the soft-spoken Southerner has emerged as a critical player at the center of 2009's major financial battles. And he has an understanding with Frank, chairman of the House Financial Services Committee, to beef up legislation as much as possible.

"Do we sit in his office and have long meetings? No," said Miller, a fourth-term member who is only 18th in seniority among committee Democrats.
"Barney's in the position of putting together the final bill, but to get to that point there is going to be a push and a pull and my role has become that of pushing."

Frank, the tough-talking quipster who is much Miller's mirror-opposite personality, said the Tar Heel lawmaker is "very influential" and understands consumer issues and their role in the broader economy "better than almost anyone on the committee."

While Miller has had a hand already in a broad range of housing and mortgage lending issues, his most critical work this year will come as Congress debates setting up a new Consumer

Financial Protection Agency to oversee products like mortgage loans and credit cards.

The agency is at the heart of President Obama's efforts to overhaul the financial system, but Miller, Frank and other congressional backers are locked in battle with Republicans and financial industry groups. Opponents say the agency's proposed powers would hurt financial innovation and consumer choice.

Frank had intended to pass legislation through his committee by the August recess setting up the agency, but this week he postponed debate until September. On Wednesday, Frank said he "welcomes a national debate" and is looking forward to the fight with industry.

In a recent interview, Miller said, ***"I think the American people are as angry as I am about the practices that have not just occurred but become prevalent, so having someone who gives voice to that and pushes is something that services the committee and Congress."***

Before the Obama administration made the agency a key part of its financial overhaul agenda, Miller was in regular discussion about the idea with Elizabeth Warren, a prominent backer and head of the Congressional Oversight Panel keeping tabs on the $700 billion financial bailout package.

Back in March, the two huddled with Rep. Bill Delahunt (D-Mass.) and others at a press conference to unveil legislation creating what was then called the Financial Products Safety Commission.

In 2002, when he was elected to the House, Miller said he didn't intend to or even envision himself playing such a role on financial-services issues.

But after working on legislation in North Carolina to fight predatory mortgage lending standards, consumer groups such as the Center for Responsible Lending and others approached Miller upon his arrival in Congress about doing the same at the federal level.

That set off a years-long effort to pass stiffer lending standards. Getting the bill through the House has been a heavy lift, and only earlier this year did he, alongside Frank and Rep. Mel Watt (D-N.C.), see the bill pass the House. The Senate has yet to do so.

"Look, if people listened to Brad five years ago, we wouldn't have had a terrible sub-prime crisis," Frank told The Hill.

As sub-prime mortgages began to default in record numbers in 2006 and 2007 and experts and some lawmakers turned their attention to the bursting housing bubble, Miller started pursuing stronger proposals.

"Barney approached me on the floor and said, 'We're going to pass a predatory lending bill, but we have millions of bad mortgages. What can we do about that? Go create a menu of what we can do,' " Miller said. ***"I talked to industry. I talked to consumer advocates. I talked to a bankruptcy judge or two."***

Miller became a strong backer of legislation empowering bankruptcy judges to be able to write down the principal and interest payments of primary home mortgages. The bankruptcy bill has been one of the hardest-fought efforts in recent years and continues to be a daunting task to pass through Congress.

After several rounds of negotiations, the House passed a bill earlier this year, but the Senate fell 15 votes shy. Senate Democratic leadership blamed the banking industry. For Miller, the bankruptcy provision was something of a turning point in his tenuous relationship with banks.

"That's the point at which the industry basically stopped talking with me," he said. The divergence is somewhat striking for a member who hails from a state with major banking interests, even if his own district is not their home.

It has done little to hurt him at the ballot box; Miller has steadily won over voters in his district. After winning in 2002 with 55 percent of the vote, Miller has won each election since by a growing margin. Last year he won with 66 percent.

"It's not necessarily the role I want to play for the rest of my time in Congress or on other issues. But on this issue, that's the role that has evolved for me," he said.

Aaron Blake contributed to this article.